

City of Wichita Groundwater Remediation Projects

UPDATE

June 25, 2013



Presentation Agenda

Project Review, Commitments, and Future Efforts



- Groundwater Remediation Projects Background
- Gilbert & Mosley Project Update
- North Industrial Corridor (NIC) Project Update

Groundwater Remediation



- Contamination of shallow water table (15 to 30 feet below ground).
- Contaminants are mainly industrial solvents that were released decades ago.
- EPA requires cleanup of contaminants that pose a health risk.



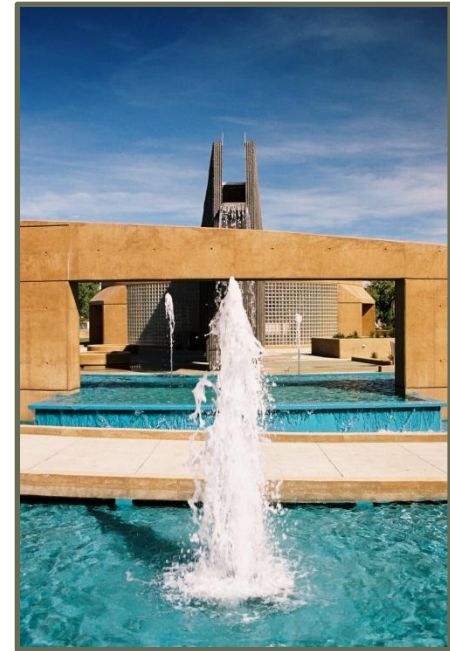
Avoid Superfund Status

- EPA Superfund Listing and Cleanup
- Cleanup Costs Paid By:
 - Those that caused the contamination
 - Current property owner
 - Lenders or Banks when contaminated property defaulted
- Result is economic disaster for community



Settlement Agreement

- A permanent Settlement Agreement between the City and KDHE
- Prevents EPA Superfund status
- Cleanup groundwater pollution to protect public health
- Continue financial lending in the area
- Protect tax base of the City, County, and USD 259



Financing - TIF District

- Uses a special Environmental TIF to support the groundwater cleanup
- Special state legislation was enacted to allow the Environmental TIF

Econ. Development TIF

■ Based on incremental growth in property values

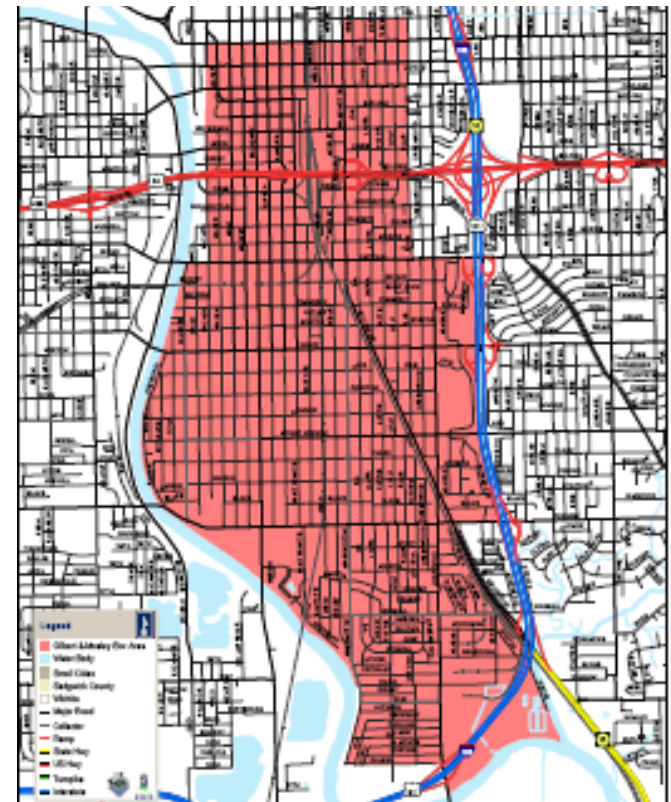
Environmental TIF

■ Based on decremental change in property values due to pollution exposure

Gilbert & Mosley Physical Site Description



- Site Boundaries - 2nd Street south to 31st South, Hydraulic west to Arkansas River
- Residential, Commercial and Industrial Uses - includes Old Town
- Six major plumes of contamination
- Predominate contaminants are industrial solvents



Gilbert & Mosley Progress

Step	Phase	Timeframe	Status
1	Investigate Remediation	1991-1994	Complete
2	Study Feasibility of Remediation Options	1994-1998	Complete
3	Remedial Design	1998-2000	Complete
4	Construct Improvements	2000-2002	Complete
5	Remediation Operations	2002 - 2042	Ongoing



Benefits

- Old Town
Redevelopment
- Preservation of
historic structures
- Private investment
- 4 billion gallons of
groundwater cleaned to
date
- Increase in tax
revenue



Economic Impact

Removal of threat of EPA Superfund status in the Gilbert & Mosley Site has allowed for continued economic growth and community viability

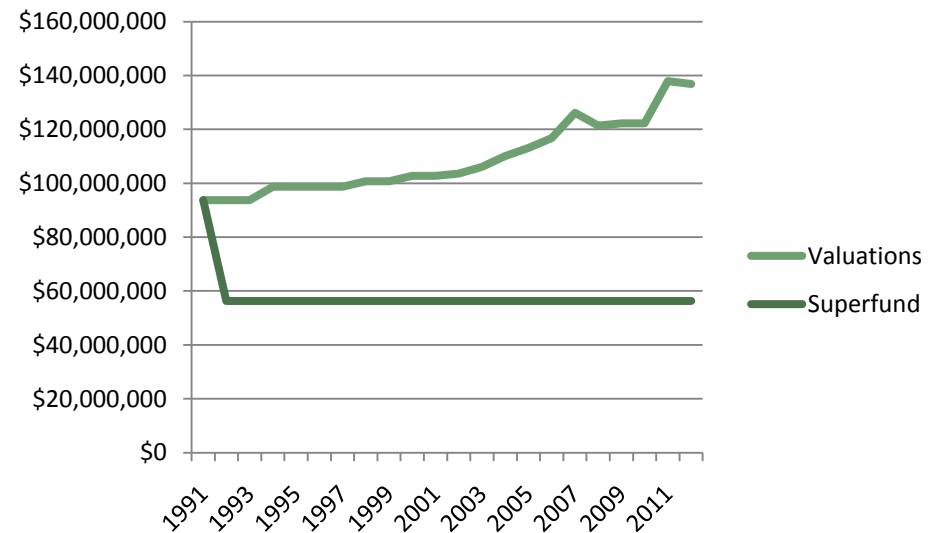


Total Tax Impact - Gilbert & Mosley TIF

City | County | Schools



- Amounts are based on the valuation from 1991 - 2021, when a TIF extension would expire
- City General Fund and Debt Service Funds will receive \$41.8 million that would've been lost through Superfund status



	Net Benefit
City Taxes	\$41,848,143
County Taxes	\$35,976,145
USD 259 Taxes	\$63,804,565

Summary of Gilbert & Mosley Project Budget

Site-wide remediation system - Estimated pumping until 2042

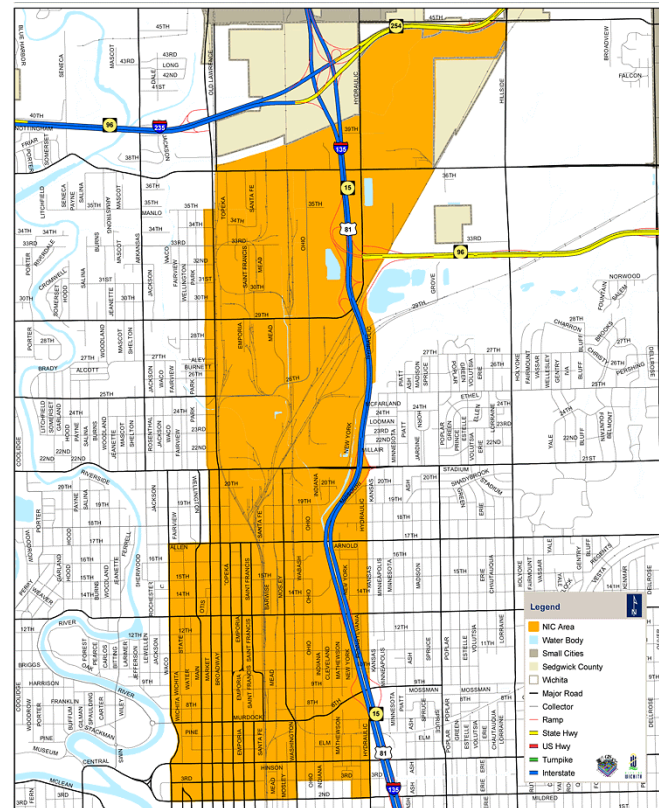


Revenues	
Environmental TIF	\$36,300,000
Environmental TIF Extension	\$28,000,000
Settlements	\$16,700,000
Subtotal	\$81,000,000
Expenses to Date	\$42,000,000
Estimated Future Expenses	\$38,900,000
Subtotal	\$80,900,000
Projected Balance	\$100,000
Cleanup Status	In Year 11 of Remediation

North Industrial Corridor (NIC) Physical Site Description



- Site Boundaries - 2nd Street north to 45th Street, Hydraulic west to Market and Waco Streets
- Residential, Commercial, Industrial and Heavy Industrial
- Contiguous, overlapping plumes from 37th N. to 3rd Street
- Contaminates are industrial solvents and total petroleum hydrocarbons



NIC Progress

Step	Phase	Timeframe	Status
1	Investigate Remediation	1997 - 2007	Complete
2	Study Feasibility of Remediation Options	2007 – 2011	Complete
3	Remedial Design	2012 – 2013	Contracting
4	Construct Improvements	2014 – 2015	Pending
5	Remediation Operations	2015 - 2085	Pending



Benefits

- Northern part of Downtown Redevelopment
- Preserves inventory of available industrial zoned properties
- Private investment
- Groundwater cleaned and protection of human health
- Increase in tax revenue



Economic Impact

Removal of threat of EPA Superfund status in the NIC Site has allowed for continued economic growth and community viability

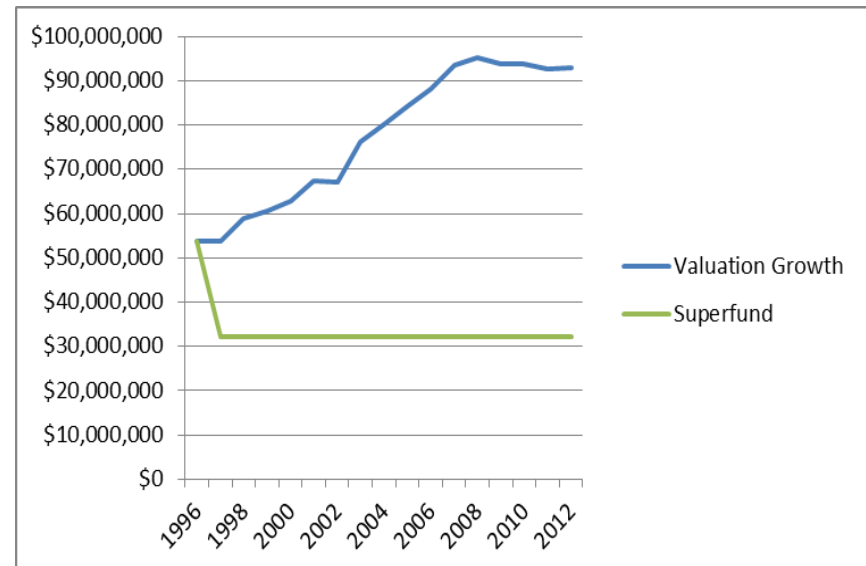


Total Tax Impact - NIC TIF

City | County | Schools



- Amounts are based on the valuation from 1996 - 2025, when a TIF extension would expire
- City General Fund and Debt Service Funds will receive \$44.4 million that would've been lost through Superfund status



	Net Benefit
City Taxes	\$44,423,805
County Taxes	\$38,544,559
USD 259 Taxes	\$68,314,436

NIC Project Management



- Minimize costs
- Maximize recovery
- Coordinate with stakeholders (TAC)
- Project tracking and status reports

Next Steps - Requiring Council Approvals



Gilbert & Mosley

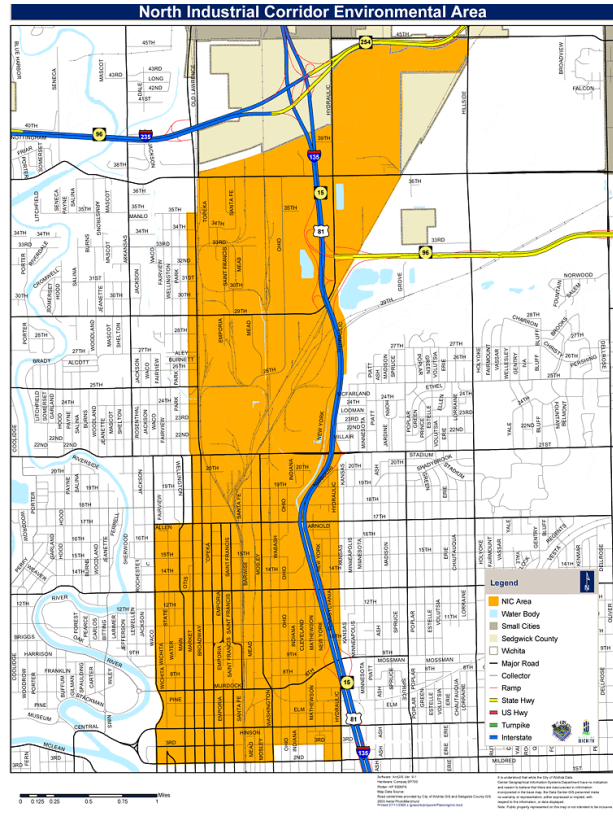
- Contract for system upgrades fall 2013
- Contract for continued groundwater monitoring fall 2013
- Contracts for orphan site cleanup fall 2013 thru 2014

NIC

- Contract for remedial design July 2013
- Settlement offers to Council in executive sessions
- Contract for neutral allocator in 2014
- Contract for construction in 2014
- Contracts for studies and services 2014 through 2015
- TIF extension 2014

Questions?

North Industrial Corridor



Gilbert-Mosley

